

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

INTERNATIONAL TAX ADVISORS, INC.,	)	
a Nevada corporation, and CREATIVE TAX	)	
STRATEGIES, INC., a Nevada corporation,	)	
	)	
Plaintiffs,	)	
	)	Case Number: 08 C 2222
v	)	
	)	Judge Castillo
TAX LAW ASSOCIATES, LLC., a Nevada	)	
Limited Liability Company, TAX LAW	)	Magistrate Judge Schenkier
ASSOCIATES, INC., a Georgia corporation,	)	
TAX LAW ADVISORS, INC., a Georgia	)	
corporation, MICHAEL SCOTT FUSSELL,	)	
an Individual, CRYSTAL KINDER, an Individual,	)	
and JOHN CERAMI, an Individual,	)	
	)	
Defendants.	)	

**INITIAL STATUS REPORT**

NOW COMES the Plaintiffs, INTERNATIONAL TAX ADVISORS, INC. (hereinafter “ITA”) and CREATIVE TAX STRATEGIES, INC. (hereinafter “CTS”), by and through their attorneys, RONALD L. BELL & ASSOCIATES, P.C., and for their Initial Status Report, respectfully states as follows:

**A. NATURE OF CASE.**

Basis for Jurisdiction, nature of claims and counterclaims. This Court has jurisdiction pursuant to 28 U.S.C. § 1331 and supplemental jurisdiction over the pendant state law claims pursuant to 28 U.S.C. § 1367(a). The Verified Complaint is brought by the Plaintiffs in connection with a scheme by the Defendants to infringe upon the copyright of ITA for Defendants’ own pecuniary gain, by use of the Internet, interstate mail, wire and transportation; the Defendants’ Breach of Contract with CTS as part of their scheme of infringement, and other illegal conduct. Further, that Defendant corporations and FUSCELL utilized KINDER, a then current employee of CTS, to effectuate reports for Defendant clients utilizing CTS and ITA’s proprietary computer software programs and FUSCELL paid KINDER for same. Attorney, Edward A. Cohen, Esq. of the Law Offices of Cohen and Hussien P.C. has filed an Appearance for all of the Defendants except JOHN CERAMI on May 12, 2008. JOHN CERAMI was served on May 1, 2008, but has failed to Appear or otherwise plead.

Relief sought by Plaintiff, including computation of claimed damages, if available. The Plaintiffs seek relief which includes actual, punitive and treble damages under Federal and State law, as well as an accounting, imposition of constructive trusts with tracing, imposition and execution of equitable liens, divestiture, restrictions on future conduct, costs of suit, interest and attorney’s fees of not less than \$16,600,000.00

Names of any parties that have not been served. All Defendants have been served.

Major legal issues. This action arises out of the Copyright Act 17 U.S.C. § 101, et seq., and 15 U.S.C. § 45.

Major factual issues. Defendants, jointly and severally, have plagiarized and made unauthorized use of Plaintiffs copyrighted documents and materials in interstate commerce and in connection with its products and services. At issue are trade secrets of ITA in that the materials constitute formulas, programs, data, methods, techniques, and processes that are sufficiently secret to derive actual economic value.

Citations to key authorities which will assist the Court in understanding and ruling on the issues.

1. Copyright Act 17 U.S.C. § 101 et seq. and 15 U.S.C. § 45;
2. This Court has jurisdiction pursuant to 28 U.S.C. § 1331 and supplemental jurisdiction over the pendant state law claims pursuant to 28 U.S.C. § 1367(a);
3. Infringement of a Federal Copyright 17 U.S.C. § 106(1), (2) and (3);
4. Remedies pursuant to 17 U.S.C. § 504 and 17 U.S.C. § 502(a);
5. Illinois Trade Secret Act 765 ILCS 1065(1)(2);
6. Consumer Fraud and Deceptive Trade Practices Act 815 ILCS 510/1 et seq.;
7. Violation of Copyrighted Materials 815 ILCS 510/2(a)(2);
8. Representing Copyrighted Materials as their Own in Violation of 815 ILCS 510/3;
9. Violation of Federal Deceptive Trade Practices Act 15 U.S.C. § 45;
10. Aiding and Abetting as proscribed and prohibited by 18 U.S.C. §§ 2, 371 and 1962;
11. Treble Damages as provided by 15 U.S.C. 1117(a) and 18 U.S.C. 1964;
12. Plaintiff, ITA, is a “Person” within the meaning of 18 U.S.C. §§ 1961 and 1964 and Defendants, TLAL, TLA and TLA, are “Enterprises” within the meaning of 18 U.S.C. §§ 1961 and 1962;
13. Defendants, FUSSELL, KINDER and CERAMI, are “Persons” within the meaning of 18 U.S.C. §§ 1961 and 1962 and were employed by or associated with an “Enterprise”;
14. Divestiture of Defendants’ property interests in money and obligations wrongfully obtained from Plaintiffs and Injunction barring and delimiting future business activities in accordance with 18 U.S.C. 1964(a); and
15. Corrective advertising in accordance with 15 U.S.C. 1117(a) and 1125(a).

**B. PREPARATION OF DRAFT SCHEDULING ORDER.**

Outline of the scheduling Order required by Fed.R.Civ.P.16(b). Lead Trial Counsel and unrepresented parties shall attend the Rule16 Initial Scheduling Conference with their calendars in hand for the purpose of scheduling other pre-trial events and procedures, including a Post-Discovery Status Conference; Counsel and unrepresented parties shall attend the Rule 16 Initial Scheduling Conference prepared to discuss the anticipated number of depositions and identities of potential deponents and the anticipated dates by which interrogatories, requests for production of documents and requests for admissions will be served.

**C. TRIAL STATUS.**

A Jury has been requested by Plaintiffs.

**D. CONSENT TO PROCEED BEFORE A MAGISTRATE JUDGE.**

Plaintiffs will consent to proceed before a Magistrate Judge for all proceedings including Trial.

**E. SETTLEMENT STATUS.**

Initial settlement discussions are at a stand still as Defendants, represented by Cohen, have not complied with any of the agreements reached so far including filing an Answer to the Complaint nor submitting KINDER's computer for forensic analysis. Defendants were under a ten (10) day Order to Answer Discovery and have failed to do so. Defendant, CERAMI, has been served, but has not filed an Appearance or otherwise plead.

Respectfully submitted,

RONALD L. BELL & ASSOCIATES, P.C.

By: s/Ronald L. Bell  
Ronald L. Bell

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Case Number: 08 C 2222

Judge Castillo

Magistrate Judge Schenkier

TO: Judge Ruben Castillo  
United States District Court  
Northern District of Illinois  
219 South Dearborn Street  
Courtroom 2141  
Chicago, Illinois 60604

Edward A. Cohen, Esq.  
Law Offices of Cohen & Hussien P.C.  
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Worth, Illinois 60482

**CERTIFICATE OF SERVICE**

Ronald L. Bell, an attorney, certifies that on the 15<sup>th</sup> day of July, 2008, I served a copy of this Initial Status Report to the above-named attorney, at the above listed addresses, by U.S. Mail and via facsimile at 1-708-361-4207, and by electronically filing same with the Pacer/ECF system on or before 5:00 p.m. I also served a courtesy copy to Judge Castillo by depositing a copy of same in the Federal Express drop off box located at 1275 Barclay Boulevard, Buffalo Grove, Illinois 60089, on or before 5:00 p.m.

RONALD L. BELL & ASSOCIATES, P.C.

By: s/Ronald L. Bell  
Ronald L. Bell

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